GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2661
ANSWERED ON:01.08.2002
REDUCTION OF SALES TAX ON AVIATION FUEL
JAIBHAN SINGH PAWAIYA;SHIVRAJ SINGH CHOUHAN

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Union Government have sent a proposal to the State Governments to abolish or reduce the sales tax on the aviation fuel;

(b) if so, the details thereof; and

(c) the States which have accepted this proposal along with the reasons for not accepting this proposal by the remaining States?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS
PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a) to (c): Ministry of Civil Aviation had requested the State Governments to exempt/reduce the sales tax on aviation turbine fuel (ATF) in September 1997. However, this request was not agreed to by the State Government because of their apprehension regarding the adverse impact of such a decision on their revenues.